Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Message Text

CONFIDENTIAL

PAGE 01 LISBON 09392 071944Z
ACTION EUR-08

INFO OCT-01 SS-14 ISO-00 EB-04 TRSE-00 L-01 /028 W
----------082894 072052Z /64
P 071832Z DEC 77
FM AMEMBASSY LISBON
TO SECSTATE WASHDC PRIORITY 4025

C O N F I D E N T I A L LISBON 9392

LIMDIS

DEPT PASS TREASURY FOR SYVRUD

E.O. 11652: XGDS-3
TAGS: EFIN, ECON, PO
SUBJECT: FY 1978 BALANCE OF PAYMENTS LOAN

REF: STATE 283996

1. EMBASSY WILL OPEN FORMAL NEGOTIATIONS WITH BANK OF PORTUGAL ON SUBJECT LOAN ON FRIDAY, DECEMBER 9 AT 11:30 AM.

2. NEGOTIATIONS WILL BE CONDUCTED ON BASIS OF DRAFT AGREEMENT TRANSMITTED VIA STATE 281977 AS CORRECTED BY STATE 282964. EMBASSY WOULD, HOWEVER, LIKE AT THIS TIME TO FLAG A POINT WHICH MIGHT WARRANT A SUBSEQUENT CHANGE IN OUR BILATERAL AGREEMENT: IF THE POLITICAL PARTIES AND THE PRESIDENT FAIL TO FORM PROMPTLY A NEW GOVERNMENT SHOULD PRIME MINISTER SOARES' CONFIDENCE MOTION LOSE IN THE ASSEMBLY VOTE, PORTUGAL'S LIQUID RESERVES, EVEN PRESUMING MAXIMUM GOLD SALES, MAY NOT SUFFICE TO COVER OBLIGATIONS. IF WE BELIEVE THAT THE GOP, HOWEVER CONSTITUTED AT THAT TIME, IS MAKING A GENUINE EFFORT TO REACH AGREEMENT WITH THE IMF, WE MAY WISH TO PERMIT A PARTIAL DRAWDOWN ON OUR LOAN EVEN BEFORE RECEIPT OF THE IMF LETTER. IF THE BANK OF PORTUGAL CANNOT MEET ITS LIQUIDITY NEEDS DURING THAT INTERIM PERIOD, IT MAY BE PRESSURED INTO ADOPTING AD HOC SHORT-
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TERM MEASURES THAT WOULD IMPEDE SUBSEQUENT IMPLEMENTATION OF A RATIONAL STABILIZATION PROGRAM.
CARLUCCI

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NNN

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Message Attributes

Automatic Decaptioning: Z
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LOANS
Control Number: n/a
Copy: SINGLE
Sent Date: 07-Dec-1977 12:00:00 am
Decaption Date: 22 May 2009
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LISBON09392
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: X3
Errors: N/A
Expiration:
Film Number: D770455-0242
Format: TEL
From: LISBON
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771284/aaaacsxm.tel
Line Count: 58
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: a2fe150a-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: LIMDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
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Previous Handling Restrictions: LIMDIS
Reference: 77 STATE 283996
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 02-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 330908
Secure: OPEN
Status: NATIVE
Subject: FY 1978 BALANCE OF PAYMENTS LOAN
TAGS: EFIN, ECON, PO
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/a2fe150a-c288-dd11-92da-001cc4696bcc
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